



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

SB2284

Introduced 1/12/2006, by Sen. John J. Cullerton

SYNOPSIS AS INTRODUCED:

735 ILCS 5/2-807 new

Amends the Code of Civil Procedure. Provides that, in a class action, residual funds remaining in a common fund shall be distributed to one or more nonprofit charitable organizations that have a principal purpose of promoting or providing access to justice for low income residents, except that up to 50% of the residual funds may be distributed to one or more other nonprofit charitable organizations that the court approves as part of a settlement if the court finds there is good cause to do so. Provides that the new provisions shall not be construed to prevent a court, in a class action that does not create a common fund, from approving distributions to nonprofit charitable organizations that promote or provide access to justice for low income residents of the State of Illinois. Provides that the new provisions do not apply to any class action against a public entity or a public employee.

LRB094 16496 AJO 51757 b

1 AN ACT concerning civil law.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Code of Civil Procedure is amended by adding
5 Section 2-807 as follows:

6 (735 ILCS 5/2-807 new)

7 Sec. 2-807. Residual funds.

8 (a) As used in this Section, "residual funds" means all
9 unclaimed funds, including uncashed checks or other unclaimed
10 payments, that remain in a common fund created in a class
11 action after court approved payments are made for class member
12 claims, attorney's fees and costs, and other distributions or
13 reversions.

14 (b) A judgment approving a proposed compromise or
15 settlement of a class action shall establish a process and
16 timeline for identifying and compensating members of the class
17 and shall provide for the distribution of any residual funds to
18 one or more nonprofit charitable organizations that have a
19 principal purpose of promoting or providing access to justice
20 for low income residents of the State of Illinois, except that
21 up to 50% of the residual funds may be distributed to one or
22 more other nonprofit charitable organizations that the court
23 approves as part of a settlement if the court finds there is
24 good cause to do so.

25 (c) A contested or default judgment in a class action shall
26 establish a process and timeline for identifying and
27 compensating members of the class and shall provide for the
28 distribution of any residual funds to one or more nonprofit
29 charitable organizations that have a principal purpose of
30 promoting or providing access to justice for low income
31 residents of the State of Illinois.

32 (d) Nothing in this Section shall be construed to prevent a

1 court, in a class action that does not create a common fund,
2 from approving distributions to nonprofit charitable
3 organizations that promote or provide access to justice for low
4 income residents of the State of Illinois.

5 (e) This Section does not apply to any class action against
6 a public entity or a public employee.